REPORT

DATE:

January 5, 2006

TO:

Energy and Environment Committee

FROM:

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SUBJECT:

Demand Response Community Partnership

EXECUTIVE DIRECTOR'S APPROVAL:

RECOMMENDED ACTION:

Approve continued discussions with Southern California Edison to develop a comprehensive plan for a Demand Response Program.

SUMMARY:

Staff will present information on a potential partnership with Southern California Edison.

BACKGROUND:

In May, 2005 Southern California Edison (SCE) approached SCAG staff with the concept of a partnership to publicize demand response programs in the region. At the July 7, 2005 EEC meeting, Mr. Mark Martinez of SCE presented information on SCE's Demand Response Initiative. Demand response is a short-term solution for immediate energy needs, which includes efforts to reduce energy consumption during critical periods to improve electric reliability during extraordinary events. SCAG also sponsored the SCE Demand Response Emerging Technologies Forum and Showcase on July 22, 2005.

SCE is now requesting a more formalized relationship with SCAG to implement a Demand Response Community Partnership (Partnership). SCAG would help provide new marketing channels to increase energy savings among customers. The Partnership would provide customer education to facilitate participation in demand response programs. Participants in the Demand Response Program would benefit from reduced occurrences of power shortages, improved operational readiness, and reduced costs.

The proposed Partnership would build on the current demand response community partnerships in the City of Ontario, Los Angeles County, and the Building Owner Management Association of Greater Los Angeles. In addition, the Partnership would complement and leverage the potential San Gabriel Valley Energy Efficiency Program, for which staff coordination was approved at the December 1, 2005 EEC meeting.

In order to formalize the Partnership, SCAG staff requests EEC approval to continue negotiations with SCE toward a signed memorandum of understanding (MOU). The MOU would define the roles and responsibilities of each entity, the programmatic components, and the schedule.



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FISCAL IMPACT:

All Demand Response Community Partnership activities will be paid for by Southern California Edison. SCAG involvement in this partnership will be contingent upon funding availability.

